

**STATE OF HAWAII**  
**NOTICE OF AMENDMENT TO EXEMPTION FROM CHAPTER 103D, HRS,**  
**CONTRACT**

TO: Chief Procurement Officer  
 Department of Human Services  
 FROM: Housing and Community Development Corporation of Hawaii  
 (Department/Division/Agency)

Name of Contractor: Hawaii Affordable Properties, Inc. P.E. Reference Number: 04-04-J

Description of goods, services, or construction:  
 Property Management services at Management Unit 43, Kailua-Kona, Hawaii of five (5) public housing projects.

The scope of work for the contract is revised as follows:

1. Length of time amended to June 30, 2005 (additional 8 months)
2. Amount is changed because additional 8 months.

1st Amended

Original Contract Price: \$ 174,036.00

Amended Contract Price: \$ 232,048.00

This / These amendment(s) are necessary because:

See Attachment

Direct questions to: Robert S.N. Young *By* Phone: 587-0597

*Pursuant to § 103D-102, HRS, and § 3-120-5, HAR, I certify that the information provided above is, to the best of my knowledge, true and correct.*

*James H. Lee* 8/16/04  
 Department/ Head or Designee Date

Executive Assistant  
 Title (If other than Department Head)

\*\*\*\*\*  
 Date Posted: 8/13/04

A copy of this notice of amendment shall be posted by the Chief Procurement Officer and the purchasing agency in an area accessible to the public, at least seven (7) calendar days prior to any approval action.

Submit written objections to this notice of intent to amend a procurement exemption contract within seven (7) calendar days from the date posted to:

Chief Procurement Officer  
 Office/Agency \_\_\_\_\_  
 Address \_\_\_\_\_

Please ensure adherence to applicable administrative and statutory requirements.

☒ APPROVED

☐ DISAPPROVED

*James S. Figueira* 8/24/04  
 Chief Procurement Officer Date

### Attachment

This / These amendment(s) are necessary because: HCDCH is under a Corrective Action Order (CAO) by the U.S. Department of Housing and Urban Development (HUD). One of the major issues that is outstanding is the bid specifications, performance measures, contract language and monitoring devices for these property management contracts. Additional time is needed to research what management tools are to be drafted in the bid specifications that will meet HUD approval to relieve HCDCH to be released from the CAO. Since U.S. Navy contract to draft specifications will not be ready for six (6) months.

#### Attachments:

1. Supplemental Agreement No. 1
2. MOU with U.S. Navy to draft specifications
3. Draft RFP specification drafted by U.S. Navy – incomplete and need more time
4. Form 7B extending time to October 31, 2004

# STATE OF HAWAII

## REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS

NOV 12 A10:48

TO: Chief Procurement Officer

STATE PROCUREMENT OFFICE  
STATE OF HAWAIIFROM: DHS/HCDCH

(Department/Division/Agency)

Pursuant to § 103D-102(b)(5), HRS, and Chapter 3-120, HAR, the Department requests a procurement exemption to purchase the following:

Description of goods, services, or construction:

Property Management Services: Management Unit 43

Projects:

1. Ka Hale Kahaluu
2. Kealakehe
3. Kaimalino
4. Nani Olu
5. Hale Hookipa

Name of Vendor:

Cost:

Term of Contract:

To Be Determined

\$54,000

From: 12/1/03

To: 2/29/04

Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State:

HCDCH terminated a management agreement effective September 15, 2003 with Urban Real Estate Co. HCDCH anticipated that in house staff could manage operations until a long term contract could be put out on a revised Request for Proposals. HCDCH Property Management Branch staff have been operating the management office since September 15, 2003 by flying in from Honolulu or driving from the Hilo management office. In addition, a temporary clerk has been utilized effective November 7, 2003.

HCDCH is unable to maintain the management operations on this basis as travel time limits the actual hours of operations for the project office and these duties are in addition to staffs other responsibilities.

Details of the process or procedure to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:

HCDCH prepared a reduced scope of services from the full management contract that was previously utilized for the management services. 3 vendors were contacted to review the scope and will submit a bid, should SPO approval be received for this short term contract. HCDCH has determined a cost estimate of approximately \$18,000 per month based upon staffing for 4 full time employees and management fees.

A description of the agency's internal controls and approval requirements for the exempted procurement:

The Property Management and Maintenance Branch will review and approve the payroll reimbursements and management fee approvals for the contract to ensure that the fee amounts are in accordance with the contract.

A list of agency personnel, by position title, who will be involved in the approval process and administration of the contract:

Property Management Coordinator  
Chief, Contract Administration Section

Direct questions to:

Glori Inafuku *ni*

Phone Number:  
832-5978

This exemption should be considered for list of exemptions attached to Chapter 3-120, HAR: ☐ Yes ☒ No.

I certify that the information provided above is to the best of my knowledge, true and correct.



*11/10/03*

Department/Agency Head: Date  
Robert J. Hall, Acting Executive Director

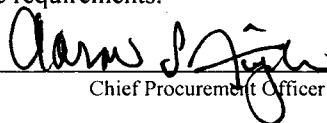
Chief Procurement Officer's Comments:

Approval is granted on the condition that the agency provide the SPO with monthly progress reports.

Please ensure adherence to applicable administrative requirements.

☒ Approved

☐ Denied

  
Chief Procurement Officer

*11/21/03*  
Date

cc: Administrator  
State Procurement Office